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**From:** Hoel, John  
**Sent:** Thursday, March 18, 1999 11:03 AM  
**To:** Scruggs, John  
**Subject:** BBA & Gray Market  
**Importance:** High

Working with the House and Senate Treasury, Postal appropriations subcommittees to increase ATF's funding to enforce the gray market provisions included in the 1997 BBA can be a very potent "green issue" for the WRO and the Company. I have a good relationship with Chairman Kolbe's clerk, Michelle Mrdeza, and know the ranking member, Steny Hoyer, well. I would like to go in and meet with the subcommittee staff and brief them on the issue and discuss with them whether ATF has requested increased funding to enforce the BBA provisions and explain why we support increased funding for enforcement of this provision.

The House TPO subcommittee is still in the thick of hearings, but the sooner we get engaged on this the better. Internally, we need to determine if the BBA language will address the gray market issue to meet our needs, or whether we need to consider suggesting technical corrections. As to how much money the ATF's budget should be increased to implement the statutory changes, I think that's up to the subcommittee's and ATF.

Thoughts?